



Town of Medway  
**FINANCE COMMITTEE**  
155 Village Street  
Medway MA 02053

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Approved:

Meeting Minutes: April 14, 2010  
Medway Town Hall, Sanford Hall

**Call to Order:** With a quorum being met Chairman Ellsworth called this meeting to order at: 7:10pm.

**Members Present:** Chairman Larry Ellsworth, Vice Chairman Eric Arbeene, Clerk Mark Brown, Member Rondi Chapman, Member Martin Dietrich, Member Paul Marble, Member Jeff O'Neill, Member Anthony Pacholec and Administrative Assistant Shirley Bliss.

**School Committee Members:** Superintendent Dr. Evans, David Verdolino, Deb Trindade, Carole Bernstein and Diane Borgatti.

**Board of Selectman Members:** Chairman Andy Espinosa, Denis Crowley, Glenn Trindade.

**Other Guests:** Town Administrator, Suzanne Kennedy and Treasure/Tax Collector, Melanie Phillips.

**Board of Selectman's Budget Presentation:**

Chairman Espinosa presented a budget for FY 11 at: \$22,272,975.

This is a level services budget and the amount does not include possible income from other sources; however it does include Tri-County costs. This number also does not include any stimulus money or outside sources. The number also includes the moving of funds (\$320,703) thru TM vote from the operational enterprise to the budget. This money will be used to sustain the Town thru this financial storm.

**Enterprise Funds:** are currently low, but that is due to the newness of them.

**Free Cash Allocation:** \$1,508,000 is recommended for various items including paying of outstanding bills in connection with winter ice and snow removal; \$800,000 to be placed in operating reserve, \$420,000 in Capital spending on Technology Equipment and other various items. Total Capital items recommended is: \$558,000. There is also a recommendation that \$200,000 be carried over. The largest amount of money will be spent on computer for the schools. A system will be put in place that allows for several computers to be replaced on a rotating basis, to avoid a large expenditure.

**Operating Reserve:** Once again an additional \$800,000 will be added to the current balance of \$800,000. This year however thru a Town Meeting vote (Article 2) \$320,703 will be moved to the school budget to bring their budget back to where it was. This money is being replaced because it is being transferred to the Town side to represent the expected TRANE savings being used to pay the loan.

**Board of Selectman Budget:** (Continued)

**Proposed Borrowing:** A total of \$1,341,043 is being proposed. Projects include: a new roof for the Town Hall (\$150,000) replacement of Radio System (Police - \$280,000) Brentwood Area new drainage system (\$300,000) and Roadwork (611,043). It was explained that although \$300,000 was allocated for Brentwood Drainage this number is being borrowed, so that the Town is allowed to apply for grants. The actually costs is expected to be closer to \$800,000.

**Debt Position:** Although the town in Fy11 will be borrowing more the current borrowing rate is lower than previous years. When asked about using some of the Operational Reserve to fund/pay down debt it was explained by Mr. Espinosa that the BOS is still not comfortable with the economy and feel another year of large savings will set the up the Town better for its future needs. Mr. Espinosa also explained that this account is being used only for the short run and once monies are freed up by debt falling off, the Town will have no need for this account.

The Finance Committee questioned the Town's Free Cash of 1.3m and why it was so high, for the second year in a row? It was explained that changes are being put into place so that Free Cash from FY11 will be much less.

### **Other Business:**

#### **Emergency Transfers:**

##### **\$54,000 – Unemployment Benefits**

Currently this item is budgeted for \$65,000 but due to high unemployment and benefits being extended the budget has been exhausted. It was explained that the State can go back 2-3 years to employers to collect funds. Hard to budgeted due to the many unknowns, and the current economic state.

Discussion: Treasurer Mark Brown explained that with the approval of this ETR there would be only \$1700 left in the account, with the Veterans coming back for more funds and there being 2 more months in the fiscal year.

The Finance Committee was told by Melanie Phillips Treasure/Tax Collector that by law they are allowed to transfer up to 3% of one budget to another should the need arise.

A motion was made and passed to approve this ETR for \$54,000.

Motion: Paul Marble      Seconded: Paul Marble      Vote: 8-0-0

##### **\$10,098.38 – Town Clerk – Special Election**

This budget was approved with the expectation of one (1) election. The untimely death of Senator Kennedy forced an unexpected election. All the budgeted funds were used for this election leaving no funds for the May, 2010 election. These funds will replenish the election account for the May election.

A motion was made and passed to approve this ETR for \$10,098.38.

Motion: Eric Arbeene      Seconded: Paul Marble      Vote: 8-0-0

### **School Budget: Dr. Evans:**

The school budget for FY11 contains a slight increase of 2.9% to \$23,738,875.

Faculty has been reallocated due to decrease in enrollment. They have been placed to meet the needs of other grades. Currently all contracts have been settled, but not yet ratified (SC will meet on 4/15/10 to do so). Utilities have been level funds, with all savings being used to pay down debt from the TRANE project. Discussions are being held to figure the best way to show the savings on the budget. The School is determined and committed to not only showing the savings but using these savings to pay down the debt as they promised when they came to the town for the money. Dr. Evans explained the new summer program that will assist Special Education students in continuing their work over the summer, so as not to lose any ground during this time. Currently in the District there are 525 students receiving services, about 125 of them will attend the summer program. The camp will run 4 days a week for 5 weeks. Dr. Evans stated that the school is working hard thru various efforts to save money, TRANE, HS solar panels and splitting the costs of the school food manager with Millis. At the end of her presentation Dr. Evans thanked this Committee for working with them so well and a special thanks to Paul Marble for attending so many of the School Committee meetings.

**Approval of Meeting Minutes: March 10, 2010**

These minutes were carried forward to the April 14<sup>th</sup> meeting.

**Future Budget Meetings:**

This Committee will meet next Wednesday, April 21 to discuss the budget and compile a list of questions to be passed along to proper departments.

**April 28<sup>th</sup> Public Hearing:**

The following departments will be invited to this meeting for budget discussions: School Department, Board of Selectman and Town Administrator, Suzanne Kennedy.

**Committee Write-ups:**

All Committee write-ups are due to Larry by May 10<sup>th</sup>.

**Replacement Selections:**

It was agreed upon that the advertisement would run and all resumes would be due to the Town Administrator by May 1, 2010.

**Adjournment:**

With no further business before this Committee a motion was made and unanimously passed to adjourn at: 9:45pm.

Motion: Eric Arbeene      Seconded: Mark Brown      Vote: 8-0-0